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File

Accounting 3-1

22 NOV 1976

MEMORANDUM FOR: Director of Central Intelligence

FROM : John F. Blake
Deputy Director for AdministrationSUBJECT : Annual Report of Disposition of Requests for Waiver
of Claims for Erroneous Payments of Salary and
Allowances - Fiscal Year 1976

REFERENCE :

25X1A

1. This memorandum is for information only. The referenced regulation provides that subject report will be submitted to the Director of Central Intelligence in lieu of the legislative requirement that such reports be submitted to the Comptroller General.

2. During Fiscal Year 1976, 33 requests for waiver of claims for erroneous payments of salary and/or allowances were received. These new cases, together with 20 carried over from the prior fiscal year, presented a total of 53 cases for action by the Overpayment Review Committee during FY 1976. Of these 53 cases, 41 were settled and 12 were in process on 30 June 1976. This compares with 47 received and 42 cleared during FY 1975.

3. Disposition of the 41 cases which were cleared was as follows:

	<u>Number of Cases</u>	<u>Amount Waived</u>	<u>Amount Denied</u>
Waived	18	\$31,316.82	
Denied	13		\$12,319.99
Partial Waiver	10	4,265.55	5,391.62
TOTAL	<u>41</u>	<u>\$35,582.37</u>	<u>\$17,711.61</u>

4. While each of 40 cases involved only one individual, one case was for 16 employees who were overpaid overtime as a result of a retro-active reclassification from "nonexempt" to "exempt" under the Fair Labor Standards Act. This type of overpayment was not unique to the Agency since most Agencies experienced the same reclassification and overpayment problem.

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SUBJECT: Annual Report of Disposition of Requests for Waiver of Claims
for Erroneous Payments of Salary and Allowances - Fiscal Year 1976

5. The primary cause of overpayments was the failure of employees or field stations to notify Compensation and Tax Division of [REDACTED] promotions (17 cases). However, because of procedural changes made in connection with such notifications only five of these cases qualified for complete waiver, with four being partially waived and the remaining eight being denied. Currently, [REDACTED]

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6. A summary of the various causes of overpayments is attached.

John F. Blake

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Attachment 25X1A
As Stated

ORIGINATED BY [REDACTED]

Director of Finance

Nov. 18, 1976
Date

Distribution:

- 0 & 2 - Add. w/a (Orig to be returned)
- 1 - DDCI w/a
- 2 - DDA w/a Chrono Subject
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- 1 - OP w/a
- 1 - AS w/a
- 1 - ORC Chrono w/a
- 1 - Annual Report File w/a


2

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ATTACHMENT

SUMMARY OF 41 CASES BY CAUSE OF OVERPAYMENT

	<u>Total Cases</u>	<u>Disposition</u>		
		<u>Waived</u>		<u>Denied</u>
		<u>Full</u>	<u>Partial</u>	
25X1A				
	17	5	4	8
Failure to Withhold FEGLI Premiums	6		5	1
Excessive Payment of Differential or Premium Pay	6	3	1	2
Payment of Allowances in Excess of Authorization	5	4		1
Excess Annual Leave Taken	2	2		
Miscellaneous	<u>5</u>	<u>4</u>	<u>—</u>	<u>1</u>
TOTAL	<u>41</u>	<u>18</u>	<u>10</u>	<u>13</u>

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